



UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY
Caption in Compliance with D.N.J. LBR 9004-1(b)

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In re:

FRANK THEATRES BAYONNE/SOUTH
COVE, LLC, *et al.*,¹

Debtors.

Order Filed on October 16, 2020
by Clerk,
U.S. Bankruptcy Court
District of New Jersey

Chapter 11

Case No. 18-34808 (SLM)

(Jointly Administered)

**STIPULATION AND CONSENT ORDER RESOLVING CLAIMS
FILED BY D-BOX USA INC.**

The relief set forth on the following pages, numbered two (2) through seven (7), is hereby **ORDERED**

DATED: October 16, 2020

Honorable Stacey L. Meisel
United States Bankruptcy Judge

1 The Post-Confirmation Debtors in these chapter 11 cases and the last four digits of each Debtor's taxpayer identification number are as follows: Frank Theatres Bayonne/South Cove, LLC (3162); Frank All Star Theatres, LLC (0420); Frank Theatres Kingsport LLC (5083); Frank Theatres Montgomeryville, LLC (0692); Frank Theatres Rio, LLC (1591); Frank Theatres Towne, LLC (1528); Frank Theatres Mt. Airy, LLC (7429); Frank Theatres Sanford, LLC (7475); Frank Theatres Shallotte, LLC (7548); Revolutions at City Place LLC (6048); Revolutions of Saucon Valley LLC (1135); Frank Entertainment Rock Hill LLC (0753); Frank Entertainment PSL, LLC (7033); Frank Hospitality Saucon Valley LLC (8570); and Galleria Cinema, LLC (2529).

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Debtors: Frank Theatres Bayonne/South Cove, LLC, *et al.*

Case No.: 18- 34808 (SLM)

Caption: Stipulation and Consent Order Regarding D-BOX USA Inc. Claims

This matter comes before the Court upon request of the Advisory Trust Group LLC, in its capacity as Trustee (the “Liquidating Trustee”) of the Frank Theatres Liquidating Trust (the “Liquidating Trust”) with respect to the Claims filed by D-BOX USA Inc. (“D-BOX,” and together with the Liquidating Trust, the “Parties”); and the Court having jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334; and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and consideration of this matter being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that proper and adequate notice of the dispute has been given and that no other or further notice is necessary; and upon the record herein and the agreement of the Liquidating Trustee and D-BOX; and the Court having determined that the relief provided for herein is in the best interests of the Liquidating Trust and its creditors; and after due deliberation and good and sufficient cause appearing therefor;

RECITALS

WHEREAS on December 19, 2018 (the “Petition Date”), each of the above-captioned debtors and debtors-in-possession (collectively the “Debtors”), filed voluntary petitions for relief under chapter 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”), in the United States Bankruptcy Court for the District of New Jersey (the “Bankruptcy Court”). The chapter 11 cases are pending before the Honorable Stacey L. Meisel, United States Bankruptcy Judge, and are being jointly administered under the lead case, *In re Frank Theatres Bayonne/South Cove, LLC, et al.*, Case No. 18-34808 (SLM) (the “Chapter 11 Cases”).

WHEREAS, the Debtors continued in possession of their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

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WHEREAS, on February 4, 2019, D-BOX filed Claim No. 42 against Frank Theatres Bayonne/South Cove, LLC, asserting a secured claim in the amount of \$147,500.00 and an unsecured claim in the amount of \$30,000.00.

WHEREAS, on February 4, 2019, D-BOX filed Claim No. 45 against Frank Theatres Rio, LLC, asserting a secured claim in the amount of \$123,700.00 and an unsecured claim in the amount of \$30,000.00.

WHEREAS, on February 4, 2019, D-BOX filed Claim No. 46 against Frank Theatres Southern Pines, LLC, asserting a secured claim in the amount of \$139,800.00 and an unsecured claim in the amount of \$30,000.00.

WHEREAS, on February 4, 2019, D-BOX filed Claim No. 47 against Frank Theatres York, LLC, asserting a secured claim in the amount of \$139,600.00 and an unsecured claim in the amount of \$30,000.00.

WHEREAS, on February 4, 2019, D-BOX filed Claim No. 59 against Frank Theatres, LLC, asserting a secured claim in the amount of \$550,600.00 and an unsecured claim in the amount of \$43,767.14.

WHEREAS, on July 29, 2019, the Court entered its *Findings of Fact, Conclusions of Law, and Order Confirming the Debtors' First Amended Chapter 11 Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [Docket No. 687] (the "Confirmation Order") confirming the Debtors' *First Amended Chapter 11 Plan of Reorganization Under Chapter 11 of the Bankruptcy Code*.

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WHEREAS, on October 29, 2019, the Court entered a consent order [Docket No. 783] confirming the *Debtors' Modified First Amended Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [Docket No. 783] (the “Modified Plan”).

WHEREAS, on October 31, 2019, the Effective Date of the Modified Plan occurred. *See Notice of (I) Entry of Confirmation Order, (II) Occurrence of Effective Date, and (III) Related Bar Dates* [Docket No. 792].

WHEREAS, the Liquidating Trust was created pursuant and to effectuate the Modified Plan, *see* Frank Theaters Liquidating Trust Agreement (the “Liquidating Trust Agreement”) at 1, and for the purpose of distributing the Liquidating Trust Assets to the Liquidation Trust beneficiaries . . .” Modified Plan at Section V.B.

WHEREAS, on January 29, 2020, the Administrative and Priority Claims Agent filed its *First Omnibus Objection to Certain (I) Satisfied Claims, (II) Claims to be Reclassified, and (III) Claims to be Reduced to \$0 and Then Expunged* (the “First Omnibus Objection”) [Docket No. 868] in which it sought to reclassify certain claims, including Claim Nos. 42, 45, 46, 47, and 59.

WHEREAS, on March 3, 2020, the Court entered the *Revised Order Sustaining the Administrative and Priority Claims Agent's First Omnibus Objection to (I) Certain Satisfied Claims, (II) Claims to be Reclassified, and (III) Claims to be Reduced to \$0 and then Expunged* [Docket No. 906], in which Claim Nos. 42, 45, 46, 47, and 59 were each reclassified as an unsecured claim.

WHEREAS, the Parties wish to resolve their disputes in connection with Claim Nos. 42, 45, 46, 47, and 59.

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NOW, THEREFORE, for good cause shown, **IT IS HEREBY ORDERED** as follows:

1. Claim No. 59 filed by D-BOX is hereby reduced and deemed allowed against the estate of Frank Theatres, LLC in the amount of \$569,367.14 as a general unsecured claim (the “Allowed Claim”).
2. Claim Nos. 42, 45, 46, and 47 filed by D-BOX are hereby withdrawn with prejudice. D-BOX agrees that it will not file or assert any additional claims against any of the Debtors in these Chapter 11 Cases other than the Allowed Claim.
3. Each of the Parties hereto consents to the jurisdiction of the Court to adjudicate any and all disputes arising under or relating to this Stipulated Order.
4. This Stipulated Order shall be binding upon the Parties hereto and any of their successors, representatives, and/or assigns.
5. Each of the Parties hereto represents and warrants that it is duly authorized to enter into and be bound by this Stipulation.
6. This Stipulation may be executed in multiple counter parts, any of which may be transmitted by facsimile or electronic mail, and each of which will be deemed an original, but all of which together will constitute one instruments.
7. Notwithstanding any applicability of any of the Federal Rules of Bankruptcy Procedure, the terms and conditions of this Stipulation shall be immediately effective and enforceable upon its entry.

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8. The Bankruptcy Court retains exclusive jurisdiction to resolve any dispute arising from or related to the interpretation or enforcement of this Stipulation.

Dated: October 2, 2020

STIPULATED AND AGREED:

RIKER, DANZIG, SCHERER,
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